

107TH CONGRESS
1ST SESSION

S. 1217

To provide for the acquisition, construction, and improvement of child care facilities or equipment, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JULY 20, 2001

Mr. DODD (for himself, Mr. DEWINE, Ms. SNOWE, Mr. KENNEDY, Mr. ROBERTS, Mr. JOHNSON, Mr. EDWARDS, Mrs. FEINSTEIN, Ms. COLLINS, Mr. WELLSTONE, Mr. BINGAMAN, and Mrs. MURRAY) introduced the following bill; which was read twice and referred to the Committee on Health, Education, Labor, and Pensions

A BILL

To provide for the acquisition, construction, and improvement of child care facilities or equipment, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Child Care Facilities
5 Financing Act”.

6 **SEC. 2. TECHNICAL AND FINANCIAL ASSISTANCE GRANTS.**

7 (a) DEFINITIONS.—In this section:

1 (1) CHILD CARE FACILITY.—The term “child
2 care facility” means a center-based or home-based
3 child care facility.

4 (2) ELIGIBLE INTERMEDIARY.—The term “eli-
5 gible intermediary” means a private, nonprofit inter-
6 mediary organization that has demonstrated experi-
7 ence in—

8 (A) providing technical or financial assist-
9 ance for the construction and renovation of
10 physical facilities;

11 (B) providing technical or financial assist-
12 ance to child care providers; and

13 (C) securing private sources for capital fi-
14 nancing of child care or other low-income com-
15 munity development.

16 (3) ELIGIBLE RECIPIENT.—The term “eligible
17 recipient” means—

18 (A) any existing or new center-based or
19 home-based child care provider that provides
20 services to eligible children under a program
21 carried out under the Child Care and Develop-
22 ment Block Grant Act of 1990 (42 U.S.C. 9858
23 et seq.), or another program serving low-income
24 children as determined by the Secretary; and

1 (B) any organization in the process of es-
 2 tablishing a center-based or home-based child
 3 care program or otherwise seeking to provide
 4 child care services to children described in sub-
 5 paragraph (A).

6 (4) SECRETARY.—The term “Secretary” means
 7 the Secretary of Health and Human Services.

8 (b) GRANT AUTHORITY.—The Secretary may award
 9 grants on a competitive basis in accordance with this sec-
 10 tion to eligible intermediaries to assist the intermediaries
 11 in carrying out the activities described in subsection (e).

12 (c) APPLICATIONS.—To be eligible to receive a grant
 13 under this section an eligible intermediary shall submit to
 14 the Secretary an application, in such form and containing
 15 such information as the Secretary may require.

16 (d) PRIORITY.—

17 (1) IN GENERAL.—In awarding grants under
 18 this section the Secretary shall give priority to appli-
 19 cants under subsection (c) that propose to assist eli-
 20 gible recipients that serve—

21 (A) low-income areas, such as—

22 (i) a community that—

23 (I) is in a metropolitan area; and

24 (II) has a median household in-
 25 come that is not more than 80 percent

1 of the median household income of the
 2 metropolitan area; or

3 (ii) a community that—

4 (I) is not in a metropolitan area;
 5 and

6 (II) has a median income that is
 7 not more than 80 percent of the me-
 8 dian household income of the State in
 9 which the community is located; or

10 (B) low-income individuals, such as an in-
 11 dividual who is an eligible child, as defined in
 12 section 658P of the Child Care and Develop-
 13 ment Block Grant Act of 1990 (42 U.S.C.
 14 9858m).

15 (2) DEFINITION.—In this subsection, the term
 16 “metropolitan area” has the meaning given the term
 17 in section 102 of the Housing and Community De-
 18 velopment Act of 1974 (42 U.S.C. 5302).

19 (e) USE OF FUNDS.—

20 (1) REVOLVING FUND.—Each eligible inter-
 21 mediary that receives a grant under this section
 22 shall deposit the grant amount into a child care re-
 23 volving fund established by the eligible intermediary.

24 (2) PAYMENTS FROM FUND.—Subject to sub-
 25 section (f), from amounts deposited into the revolv-

1 ing fund under paragraph (1), each eligible inter-
 2 mediary shall provide technical and financial assist-
 3 ance (in the form of loans, grants, investments,
 4 guarantees, interest subsidies, and other appropriate
 5 forms of assistance) to eligible recipients to pay for
 6 the Federal share of the cost of the acquisition, con-
 7 struction, or improvement of child care facilities or
 8 equipment, or for the improvement of related man-
 9 agement and business practices, for each such recipi-
 10 ent. The amounts may be used solely for the purpose
 11 of providing technical or financial assistance.

12 (3) LOAN REPAYMENTS AND INVESTMENT PRO-
 13 CEEDS.—Any amount received by an eligible inter-
 14 mediary from an eligible recipient in the form of a
 15 loan repayment or investment proceeds shall be de-
 16 posited into the child care revolving fund of the eligi-
 17 ble intermediary for redistribution to other eligible
 18 recipients in accordance with this section.

19 (f) FEDERAL SHARE.—

20 (1) IN GENERAL.—The Federal share of the
 21 cost described in subsection (e)(2) shall be not more
 22 than 50 percent.

23 (2) NON-FEDERAL SHARE.—The non-Federal
 24 share of the cost may be provided in cash or in kind,

1 fairly evaluated, including plant, equipment, or serv-
2 ices.

3 (g) AUTHORIZATION OF APPROPRIATIONS.—There is
4 authorized to be appropriated to carry out this section
5 \$50,000,000 for each of fiscal years 2002 through 2006.

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